

**State Collection Agency Licensing Board
Open Session Minutes**

<u>4.12.2021</u>	2:01 p.m.	Maryland Dept. of Labor
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Meeting called to order at 2:01 p.m. by	Antonio P. Salazar, Chairman (attended via video conference call)
Administrator	Devki Dave (attended via video conference call)
Attendees	<p>Members: Susan Hayes and Eric Friedman (each attended via video conference call)</p> <p>Counsel--Kenneth Krach, Esq. (attended via video conference call)</p> <p>Staff: Arlene Williams, Betty Yates, Jedd Bellman, Clifford Charland, Dana Allen, Kelly Mack, and Sean McEvoy (each attended via conference call)</p>
Acknowledgements	Ms. Dave acknowledged that the notice of the April 12 th meeting was posted on the Board’s website on March 10, 2021, and the Agenda was posted on the Dept. of Labor/Board’s website on April 2, 2021. Ms. Dave stated that the meeting notice for the April 12, 2021 meeting was published in the Maryland Register on March 26, 2021.
Approval of Minutes	
Mr. Salazar	
Discussion	After reviewing the minutes of the March 8, 2021 meeting Ms. Hayes stated that she found red lines in the March 8, 2021 minutes. Mr. Salazar asked that the approval of the minutes be postponed until the next meeting so that he and Ms. Dave could review the March 8, 2021 minutes to be sure that the proper version is sent to the Board Members for approval. He stated that the minutes of the March 8, 2021 meeting would be sent to the Board members with May’s monthly meeting materials.

Recognition of Public Comments	
Mr. Salazar	
Discussion	No members of the public were present.
1.Non-Depository Licensing Expiration Update	
Ms. Yates	
Discussion	<p>Ms. Yates presented the Non-Depository Licensing Unit report. Ms. Yates advised the Board that each entity’s application and supporting materials for licensure had been reviewed and found to satisfy the licensing qualifications. Ms. Yates proceeded to recommend that the Board issue collection agency licenses to the following entities: Legum & Norman Realty, Inc., Capital Recovery Corporation, Brown & Joseph, LLC (Branch), Columbia Debt Recovery LLC, Mid Atlantic Medical Collection Services, Inc., IKO Real Estate Management, Inc., Transworld Systems, Inc. (Branch), Transworld Systems, Inc., Tally Technologies, Inc., Nationwide Credit Inc. (Branch), Receivables Outsourcing, LLC (Branch), Spring Oaks Capital SPV, LLC, Allied International Credit Corp (Branch), NCB Management Services, Inc., McBurberod Financial Inc., Performant Recovery, Inc. (Branch) and Performant Recovery, Inc. (Branch).</p> <p>On a Hayes/Friedman motion, which was unanimously approved, the Board voted to issue licenses to all recommended applicants.</p> <p>Ms. Yates reported that no collection agency licensees surrendered their licenses in the past 30 days.</p> <p>Ms. Yates also informed the Board that there were 11 change in control requests from the following entities: Plaza Services, LLC, Marlette Servicing, LLC, National Credit Adjusters, LLC, Radius Global Solutions, LLC, USCB, Inc., Debtsy, Inc., Elkhorn Depositer LLC, Upgrade, Inc., Asset Management Services USA, LLC, Afni, Inc. and Student Account Management Services, LLC.</p>

2.Consumer Services Unit Report	
Ms. Mack	
Discussion	<p>Ms. Mack presented the Consumer Services Unit report. Ms. Mack advised that 97 total debt collection complaints have been received so far in FY21 and nine complaints are currently open (which includes some carried over from FY20). The Unit has closed 119 cases. Further, Ms. Mack compared complaints by fiscal year, noting a declining trend from 2013 through 2020 from 615, 504, 375, 261, 205, 181, 127 and 102 respectively but also noting that complaints are increasing by 24.5% in Fiscal Year 2021.</p>

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3.Enforcement Unit Report	
Ms. Allen	
Discussion	Ms. Allen presented the Enforcement Unit report. She reported that there are five collection agency cases in pre-charge status.

4.Legislative session	
Mr. McEvoy	

Discussion	<p>Mr. McEvoy advised the Board that Maryland General Assembly approved the following Departmental bills: SB 206, the State Collection Agency Licensing Board - Sunset Extension bill; and SB 281 continuing the Office of the Commissioner of Financial Regulation. These bills continue the existence of the Board and the Office of the Commissioner through July 1, 2032.</p> <p>Mr. McEvoy also discussed Senate Bill 251, which eliminates the requirement that certain non-depository financial institutions (collection agencies, credit services businesses, lenders, installment lenders, mortgage lenders, mortgage loan originators, sales finance companies, check cashing services, money transmission businesses, and debt management services businesses) obtain a paper license from the Office of the Commissioner of Financial Regulation. Instead, affected licensees will obtain an electronic license issued through the Nationwide Multistate Licensing System (NMLS). A licensee's NMLS number will serve as their license number and no paper license will be issued by the Office of the Commissioner.</p> <p>Mr. McEvoy also discussed SB514 which, among other things, relates to hospital debt collection policies/payment plans and prohibits hospitals from taking specified actions when collecting debt.</p>
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5.NACARA Update	
Mr. Bellman	
Discussion	Mr. Bellman discussed NACARA's upcoming trainings and explained Ms. Mack is preparing for NACARA's next annual meeting which will again be virtual.

Adjournment

Mr. Salazar expressed his hope that the Board would have new member by the May 2021 meeting. Mr. Salazar stated that Ms. Dave and Mr. Charland have prepared an SCALB manual, SCALB welcome letter and Open Meeting laws document. Mr. Salazar stated that he will review those documents and they will be discussed at the next Board meeting.

Mr. Salazar stated that next SCALB monthly meeting will be on May 10, 2021.

On a Hayes/Friedman motion, which was unanimously approved, the meeting adjourned at 2:27 p.m.